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Title I. The Cost of A NATIONAL Crime
II. The Hell of War And its
Penalties.

Class E 713

Imprint Brookline, Mass. : 1899.

Book. A854

I. THE COST OF A NATIONAL CRIME.

II. THE HELL OF WAR AND ITS PENALTIES.

EIGHTH EDITION, REVISED, MAKING TWENTY THOUSAND,
WITH IMPORTANT ADDITIONS.

TWO TREATISES

SUGGESTED BY THE APPOINTMENT OF A DAY OF

NATIONAL THANKSGIVING

BY THE

PRESIDENT OF THE UNITED STATES.

FIRST EDITION.

This pamphlet is respectfully dedicated to the President of the United States, upon whom now rests a fearful responsibility.

" Oh, yet a nobler task awaits thy hand
(For what can war but endless war still breed?),
Till truth and right from violence be freed,
And public faith clear'd from the shameful brand
Of public fraud!"

Millon.

EIGHTH EDITION AMENDED.

This pamphlet is submitted to the President of the United States in the hope that the act denounced by him as one of " criminal aggression " now being committed under his authority will be averted by the Congress of the United States.

BY

EDWARD ATKINSON,

OF

BROOKLINE, MASSACHUSETTS. U.S.A.

[Funds are wanted to pay for printing, stamping, and mailing future editions of this pamphlet at four dollars per hundred. Remit to Box 112, Boston, Mass., with or without mailing list. Pamphlets supplied without stamps at two dollars per hundred and express charges.]



I.

THE COST OF A NATIONAL CRIME.

ANALYSIS OF THE REVENUE AND EXPENDITURE OF THE UNITED STATES, PAST AND FUTURE.

"I speak not of forcible annexation, for that cannot be thought of. That by our code of morality would be criminal aggression.

— WILLIAM MCKINLEY.

"EXECUTIVE MANSION,
"April 11, 1898."

Many problems are now pending in respect to the past and future of national taxation which may be stated in the following terms:

First. What are the necessary or normal peace expenditures of this Government when economically administered?

Second. From what sources have these revenues been derived?

Third. Was the revenue derived under the act known as the Dingley Bill sufficient to meet the normal or peace expenditures in the last fiscal year?

Fourth. Was it likely to suffice in the present fiscal year except for the war with Spain?

Fifth. Will the Dingley Bill with the recent war revenue act combined yield a sufficient revenue to meet the probable future expenditures, assuming that the surplus cash in the Treasury at the beginning of the war and the proceeds of the war loan of \$200,000,000 will have sufficed to cover the cost of the war, which may now be assumed?

In order to develop the facts in the case the official figures of the last fiscal year will be given and analyzed per capita.

These figures will then be compared per capita with the figures of the previous twenty years, 1878 to 1897 inclusive.

The per capita method of comparison, often very delusive, is in this case the only fit standard, because it gives an accurate standard of the economy or otherwise of each variation in our fiscal policy, and also because down to the enactment of the recent war revenue measures the taxes have been derived almost wholly from articles of common use and consumption, and have therefore been borne in much greater measure by consumers without distinction than with regard to their relative earnings or incomes and their ability to pay.

I.

What are the necessary or normal expenditures of the Government economically administered?

From 1878 to 1897 inclusive, a period of twenty years, the standard or unit of value was gold, and all transactions were substantially at that standard, specie payment on a gold basis having been resumed Jan. 1, 1879. In the short period covered by this term antecedent to that date the so-called premium on gold was so small as to be a negligible element in the case.

The following table gives the facts:

POPULATION, NET REVENUE, AND NET EXPENDITURES OF THE GOVERNMENT FROM 1878 TO 1897 (JUNE 30), PER CAPITA OF THE REVENUES AND PER CAPITA OF EXPENDITURES.

| Year. | Population. | Net revenue. | Per capita of revenue. | Net expenses. | Per capita of expenditures. | President. |
|-------|-------------|--------------------|------------------------|-----------------------------|-----------------------------|------------|
| 1878 | 47,598,000 | \$257,763,879 00 | 5.42 | \$236,964,327 00 | 4.98 | |
| 1879 | 48,866,000 | 273,827,184 00 | 5.60 | 166,947,884 00 | 5.46 | |
| 1880 | 50,155,783 | 333,526,611 00 | 6.65 | 267,642,958 00 | 5.34 | Hayes. |
| 1881 | 51,316,000 | 360,782,293 00 | 7.00 | 260,712,888 00 | 5.08 | |
| 1882 | 52,495,000 | 403,525,250 00 | 7.68 | 257,981,440 00 | 4.91 | |
| 1883 | 53,693,000 | 398,287,582 00 | 7.41 | 265,408,138 00 | 4.94 | |
| 1884 | 54,911,000 | 348,519,870 00 | 6.36 | 244,126,244 00 | 4.44 | Arthur. |
| 1885 | 56,148,000 | 323,690,706 00 | 5.76 | 260,226,935 00 | 4.63 | |
| 1886 | 57,404,000 | 333,439,727 00 | 5.86 | 242,483,138 00 | 4.22 | |
| 1887 | 58,680,000 | 371,403,277 00 | 6.33 | 267,932,179 00 | 4.56 | |
| 1888 | 59,974,000 | 379,266,075 00 | 6.32 | ¹ 267,924,801 00 | 4.46 | Cleveland. |
| 1889 | 61,289,000 | 387,050,059 00 | 6.31 | ² 299,288,978 00 | 4.88 | |
| 1890 | 62,622,250 | 403,080,982 00 | 6.43 | ³ 318,040,710 00 | 5.07 | |
| 1891 | 63,975,000 | 392,612,447 31 | 6.14 | ⁴ 365,773,905 35 | 5.71 | |
| 1892 | 65,516,000 | 354,937,784 24 | 5.42 | 345,023,330 58 | 5.27 | Harrison. |
| 1893 | 66,946,000 | 385,819,628 78 | 5.76 | 383,477,954 49 | 5.73 | |
| 1894 | 68,397,000 | 297,722,019 25 | 4.37 | 367,525,279 83 | 5.37 | |
| 1895 | 69,878,000 | 313,390,075 11 | 4.48 | 356,195,298 29 | 5.10 | |
| 1896 | 71,390,000 | 326,976,200 38 | 4.58 | 352,179,446 08 | 4.93 | Cleveland. |
| 1897 | 72,937,000 | 347,721,705 16 | 4.77 | 365,774,159 57 | 5.01 | |
| | | \$6,993,343,355 23 | 5.81 | \$5,891,629,994 19 | 4.97 | |

¹ This includes \$8,270,842.46 of "premiums on purchase of bonds."

² This includes \$17,292,362.65 " " " " "

³ This includes \$20,304,224.06 " " " " "

⁴ This includes \$10,401,220.61 " " " " "

FISCAL YEAR ENDING JUNE 30, 1898.

| Year. | Population. | Net revenue. | Per capita of revenue. | Net expenses. | Per capita of expenditures. | President. |
|-------|-------------|------------------|------------------------|------------------|-----------------------------|------------|
| 1898 | 74,389,000 | \$339,327,981 11 | 4.56 | \$443,368,582 00 | 5.96 | McKinley. |

SUMMARY AND ANALYSIS 1878-1897, INCLUSIVE.

(Made up by the compiler from annual reports slightly varying in the total from a final official summary given above in the total.)

| | REVENUES. | Amount. | Per capita. |
|---|--------------------------------|-----------------|-------------|
| Liquors and tobacco, domestic and foreign, | | \$2,951,435,557 | \$2.476 |
| Sugar and molasses, 1878 to 1890 at 90c., 1891 to 1897 | \$638,687,909 \$119,921,302 | | |
| Less bounties paid | 35,000,000 | 84,921,302 | 723,609,211 |
| Miscellaneous receipts | | 545,871,102 | .457 |
| Internal taxes other than liquors and tobacco | | 138,460,194 | .116 |
| Income from general tariff, omitting liquors, tobacco, and sugar | | 2,573,842,070 | 2.16 |
| Total | | \$6,936,218,134 | \$5.816 |

EXPENDITURES.

| | | | | |
|--------------------------------|--------------------|--------|---------------------------|---------------|
| Civil service | \$1,603,276,987.81 | \$1.34 | | |
| War | 877,582,140.47 | .74 | | |
| Navy | 422,336,204.95 | .35 | | |
| Indians | 163,005,042.80 | .14 | \$3,066,200,376.03 | \$2.57 |
| Pensions | 1,802,681,568.94 | 1.51 | | |
| Interest | 1,062,619,831.00 | .89 | 2,865,304,399.94 | 2.40 |
| | | | <u>\$5,931,504,775.97</u> | <u>\$4.97</u> |
| Excess rev. '78 to '93, incl., | \$1,160,577,543 | | | |
| Deficiency, '94 to '97, incl., | 155,864,184 | | | |
| Net payment of debt | | | 1,004,713,359.00 | .84 |
| | | | <u>\$6,936,218,134.97</u> | <u>\$5.81</u> |
| Total | | | | |

II.

From what sources have the revenues been derived?

A glance at the above statement discloses the fact that the revenue from liquors and tobacco averaged:

| | |
|--|----------------|
| Two dollars and forty-seven cents per head | \$2.476 |
| Small internal taxes on banks, oleomargarine, etc. | .116 |
| Miscellaneous permanent receipts | .457 |
| Sugar and molasses | .606 |
| Miscellaneous duties on imports other than liquors, tobacco, and sugar | 2.160 |
| | <u>\$5.815</u> |

The excess of 84 cents per head of revenue above expenditures yield, \$1,004,713,359 surplus, which was applied to the reduction of the debt.

It will be remarked that the revenue from sugar and molasses from 1878 to 1890 came to 90 cents per head. The duties on sugar abated under the McKinley act, partially restored under the Wilson act, were under the Dingley act somewhat less than from 1878 to 1890.

Had these duties been maintained from 1891 to 1898 at 90 cents there would have been no deficiency in the revenue except the war expenditures of the present year, but on the contrary a surplus of about one hundred and fifty million dollars (\$150,000,000) to be added to the previous reduction of debt.

It will also be remarked that the revenue from liquors and tobacco, \$2.476, with the small internal revenue taxes added, .116, making \$2.592, covered the normal cost of conducting the government, including the cost of what is called the new navy, leaving only interest and pensions to be covered by revenue from all other sources.

It will also be remarked that if twenty years is a sufficient period on which to base a rule, the normal expenditures of the nation are five dollars per head (\$5), at which rate they are less than half the expenditures of the United Kingdom of Great Britain and Ireland, where the burden of national taxation in ratio to person is much less than in any other State or nation on the Continent of Europe where militarism and compulsory service in army or navy renders the masses of the people subordinate to the military classes: very much less in ratio to the annual product.

III.

Was the revenue derived under the Dingley bill sufficient to meet the normal expenditures in the last fiscal year?

A comparison of the items will disclose the facts.

Statement of revenue under the Dingley act in the fiscal year ending June 30, 1898:

| | Amount. | Per capita. |
|--|---------------|-------------|
| Spirits and wines | \$97,668,838 | \$4.31 |
| Beer | 10,135,722 | .51 |
| Tobacco | 46,146,805 | .62 |
| | <hr/> | <hr/> |
| Small internal revenues | \$183,951,365 | \$2.17 |
| | 2,607,699 | .04 |
| | <hr/> | <hr/> |
| Miscellaneous: Permanent receipts | \$186,559,064 | \$2.51 |
| Sugar and molasses | 18,852,278 | .25 |
| | 29,378,938 | .40 |
| | <hr/> | <hr/> |
| Miscellaneous duty other than liquors, tobacco, and sugar | \$234,790,280 | \$3.16 |
| | 104,537,701 | 1.40 |
| | <hr/> | <hr/> |
| | \$339,327,981 | \$4.56 |

It, therefore, appears that the Dingley act did not yield the necessary sum, five dollars per head, for the conduct of the government economically administered. The deficiency was forty-four cents per head, which being computed on the estimated population of 74,389,000 persons amounts to \$32,731,160.

| | | |
|---|--------|---------------|
| The actual expenditures of the Government were greatly increased by the war with Spain, amounting to five dollars and ninety-six cents per head | \$5.96 | \$413,368,582 |
| Revenue | 4.56 | 339,327,981 |
| | <hr/> | <hr/> |
| Revenue deficiency | \$1.40 | \$104,040,601 |
| Received from Union Pacific R.R. | | 65,993,354 |
| | | <hr/> |
| Actual deficiency | | \$38,017,247 |

A comparison of the revenue under the Dingley bill with the receipts per capita under the previous systems, of 1883, the McKinley bill, and the Wilson bill combined, will be interesting.

| SUBJECT OF TAXATION. | Revenue per capita year by year, 1878 to 1897 inc. | Revenue per capita under Dingley bill. |
|---|--|--|
| Liquors and tobacco | \$2.476 | \$2.47 |
| Small internal revenue | .116 | .04 |
| Miscellaneous permanent | .457 | .25 |
| Sugar | .606 | .40 |
| Miscellaneous imports other than liquors, tobacco, and sugar | 2.160 | 1.40 |
| | <hr/> | <hr/> |
| | \$5.81 | \$4.56 |

It will be observed that the deficiency on duties on imports other than liquors, tobacco, and sugar is 76 cents per head as compared to previous acts, which amounts in round figures to \$57,000,000.

IV.

Would the Dingley bill have yielded a revenue in the present fiscal year ending June 30, 1898, sufficient to meet the normal rate of expenditure under normal conditions at \$5 per head?

The total revenue on the computed population June 1, 1898, which is the date established in the practice of the Treasury Department for ascertaining the per capita of receipts and expenditures at \$5 per head on an estimated population of 76,011,000, would amount to \$350,055,000.

Bearing in mind that the revenue in the last fiscal year was at the rate of \$4.56 per head, was attained under the disadvantage of a very large stock of sugar imported before the increase of duty, and that the tax on tea had only begun to yield revenue, it is probable that the present revenue taxes on sugar,

tobacco, and tea will come to an increase of not less than 44 cents per head. On the other hand, the import of goods which are subject to the miscellaneous duties is diminishing notwithstanding the exhaustion of any stock imported before the Dingley bill came into force, July 24, 1897. On the whole, it may be deemed fairly probable that the Dingley act without the subsequent war taxes would have yielded \$5 per head, but this favorable view is rendered doubtful by the diminishing imports of miscellaneous dutiable goods since June 30. In this estimate, however, many facts must be considered in comparing the very small yield of revenue from the miscellaneous duties under the Dingley act, of \$1.40 per head, with the \$2.16 yielded on the average of the previous twenty years.

No considerable revenue may hereafter be counted on from metals and metallic goods—formerly yielding a large revenue. No sum of any moment will be secured from iron, steel, or copper, or their products, which formerly yielded a large revenue. Supremacy in making the steel plates which are the principal element in the cost of tin plates has been coupled with the substitution of machinery for the hand work of Wales in this branch of industry. Under these conditions a relatively very small force of skilled workmen at high wages are enabled to convert black plates into tin plates at so low a cost that it is more likely that we shall become large exporters of tin plates, rather than importers. The duties on wool are yielding much less than the expected revenue, having raised the cost of imported wool so much as to have forced the manufacturers to resort to cotton and shoddy as a substitute. Aside from these subjects of former revenue the progress in many other manufactured products formerly imported has enabled us to export rather than to import. It therefore follows that even if the miscellaneous duties of the Dingley bill were reduced for the purpose of increasing the revenue, the result would probably be followed by as great a disappointment as has followed the enactment of the Dingley act, which was expected to increase the revenue in the sum of \$112,000,000—if I rightly recall the speech of the framer on its introduction, which sum, had it been realized, would have carried the per capita revenue in the last fiscal year to six dollars (\$6) per head in place of four dollars and fifty-six cents (\$4.56) actually yielded.

V.

Will the Dingley bill, with the receipts that may be expected from the war revenue taxes now in force, suffice to meet the future expenditures on the assumption that the surplus in the Treasury at the beginning of the war, with the proceeds of the war loan of \$200,000,000, will have sufficed to cover the actual cost of the active war—which is a fair assumption?

The answer to this question will depend wholly upon the more important question of how long we must endure this state of passive war into which the active war with Spain has brought us. By passive war is meant:

First. To what extent are we to convert our navy, now more than ample for defensive purposes, into an offensive force.

Second. In what numbers, at what cost, and for what length of time are we to be subject to the burden of maintaining great armed forces in the Philippine Islands, in Cuba, and in Porto Rico: also in Hawaii, if expensive fortifications and naval stations are undertaken, where only a police force of not over two hundred picked men will be required to keep order.

Third. In what measure and to what numbers will the burden of pensions be augmented for the support of the very large proportion of the white troops (or their widows and children), who will either die of climatic diseases or be disabled by fevers, malaria, and venereal disease, so as to be more or less incapable of self-support after the term has expired of their enlistment, or for which they may hereafter be drafted.

Fourth. How much will the present revenue from sugar and tobacco be diminished when the products of Cuba, Porto Rico, and the Philippine Islands come under the same revenue acts as those which now apply to the United States and to Hawaii.

| | |
|---|--------|
| It has been made plain that the utmost revenue that can be hoped for under the Dingley act may be five dollars per head | \$5.00 |
| In that computation the duties on sugar must go up from 40 cents to 75 cents per head, while the disadvantage of foreign tobacco on account of duties may now be about 5 cents per head. Sum of reduction not less than, probably more | .80 |
| Remainder | \$4.20 |
| *The war revenue act is now yielding a little less than two dollars per head and may be safely computed at that sum, as the chief sources are from the stamp taxes, which took effect at their probable per capita maximum at once, and the increase on beer which will not probably diminish its consumption. Additional war taxes | 2.00 |
| Total | \$6.20 |

On this estimate the increase in revenue above the normal expenditures of five dollars per head will be one dollar and twenty cents, which, assessed on the computed population of the present fiscal year, would yield only \$91,213,200 — a sum probably wholly insufficient to meet the increasing burden of the state of passive war which the occupation of the Philippine Islands, Cuba, Porto Rico, and Hawaii has imposed upon the taxpayers of this country. Others have computed the loss of revenue on sugar, tobacco, rice, fruits, and other products of the Philippine and West India Islands, when brought under the revenue acts of the United States and Hawaii, at \$100,000,000, or over \$1.25 per head. See Mr. Herbert Myrick's address to the National Grange Conference, in Concord, N.H.

Under these conditions the public will wait with some impatience for the development of the proposed policy of the Secretary of the Treasury in meeting the danger of a continuous deficit and with great anxiety for the message of the President on the existing conditions of passive war.

Congress may then be called upon to decide whether or not this condition of passive war in the holding of tropical islands by armed forces is to cease at an early day or is to be continued under the necessity of adding by direct taxation a large sum to our present burden, coupled with a heavy increase in the future burden, in order to provide annually for a very large portion of each year's enlisted men who will be annually disabled by fever, malaria, and venereal disease.

The figures used in this analysis for the last fiscal year are from official data, subject to very slight changes in the ensuing report of the Secretary of the Treasury.

I have endeavored to present the exact data on which every person can compute the probable cost of the imperial or expansion policy as it is now called.

I will append one question to each reader.

How much increase of taxation are you willing to bear, and how many of your neighbors' sons are you ready to sacrifice by fever, malaria, and venereal disease in order to extend the sovereignty of the United States over the West Indies and the Philippine Islands? By such policy we throw away our previous exemption from militarism, which constitutes one of our chief advantages in establishing low cost of production coupled with high rates of wages or earnings, — computed by myself at six per cent. per annum on our total annual product, — by which advantage we were attaining a paramount control of trade on the export of our goods to every port of the world of commerce.

EDWARD ATKINSON.

BOSTON, Nov. 21, 1898.

* This estimate is one-third larger than the official estimate given out in annual reports since published, Dec. 7, 1898.

PROSPECTIVE DEFICIT

IN THE FISCAL YEAR ENDING JUNE 30, 1900,

\$150,000,000, probably more.

Computed January 2, 1899.]

BY EDWARD ATKINSON.

In previous guarded estimates of the prospective cost of the expansion or imperialist policy I have been too conservative. The full report of the Secretary of the Treasury and the estimates submitted in detail by the several departments are now before me. From these official documents the following facts are given :

The estimates of the War Department for the fiscal year ending June 30, 1900, are as follows :

| | |
|----------------------------------|-------------------------|
| Executive Department | \$2,373,866 00 |
| Military Establishment | 145,119,431 00 |
| Public Works | 42,852,991 00 |
| Total | <u>\$190,346,288 00</u> |

NAVAL ESTIMATES.

| | |
|--------------------------------|------------------------|
| Executive Department | \$502,280 00 |
| Naval Establishment | 39,114,652 00 |
| Public Works | 8,013,599 00 |
| Total | <u>\$47,630,531 00</u> |

| | |
|--|----------------|
| Pensions | 145,233,830 00 |
| Civil, judicial, and all other expenditures, including postal deficiency | 156,837,729 00 |

SUMMARY.

| | |
|--|------------------|
| Army and navy | 237,976,819 00 |
| Per capita | \$3 05 |
| Pensions | 145,233,830 00 |
| Per capita | <u>1 86</u> |
| Total, military, naval, and pensions | \$383,210,649 00 |
| Per capita | \$4 91 |
| Civil, judicial, etc. | 156,837,729 00 |
| Per capita | <u>2 01</u> |
| Total for all purposes | \$540,048,378 00 |
| Per capita | \$6 92 |

In order to meet these expenditures the Secretary of the Treasury computes the probable revenue —

| | |
|---------------------------------------|-------------------------|
| From customs | \$205,000,000 00 |
| From internal revenue | 285,000,000 00 |
| From miscellaneous sources | 20,000,000 00 |
| Total | <u>\$510,000,000 00</u> |
| Per capita | \$6 54 |
| Deficiency in traction over | 30,000,000 00 |

In respect to revenue, if the sovereignty of the United States is extended over the Philippine Islands, Porto Rico, and Cuba, the expected customs revenue, computed by the Secretary of the Treasury at two hundred and five million dollars (\$205,000,000), will be diminished about seventy-five million dollars (\$75,000,000), for reasons which will be subsequently given.

The army and navy estimates appear to be very inadequate. For reasons hereafter given it is probable that the expenditures must be increased to about eight dollars (\$8) per head, or from five hundred and forty million dollars (\$540,000,000) to six hundred and twenty-four million dollars (\$624,000,000). In that event the deficiency of the year would come to one hundred and ninety million dollars (\$190,000,000). A deduction may, perhaps, be made from this sum in view of the fact that the number of volunteer troops on which the computations of the Secretary of War are based exceeds the number called for by the officers of the army itself. We may therefore possibly reduce the probable deficit to a minimum of one hundred and fifty million dollars (\$150,000,000).

In support of this computation the following facts are submitted:

It is the custom of the Secretary of the Treasury to call upon the several departments to submit their estimates of what each department will require. The basis of these estimates is published in full detail in a quarto volume. For the year under consideration it is Document No. 12 of the House of Representatives.

In the computation for the army service submitted to and adopted by the Secretary of the Treasury no provision is made for a very large part of what must be the necessary expenses if the policy of expansion or of military occupation of the Philippines, Cuba, and Porto Rico is adopted. The number of troops estimated upon is in excess of the one hundred thousand (100,000) demanded by the army officers, but there is no estimate implying an excess of cost in sustaining troops in tropical countries or in far-distant places. There is no estimate for an increase of service-pay under such conditions. There is no estimate of the cost of continuously moving troops to and from these distant points. There is no estimate of the excess of cost of maintaining troops in health and vigor in tropical climates. There is no estimate of the necessary expense of raising every year a new force equal to about one-third of the entire force required in order to fill the annual gaps which will be caused by death and disease. According to the French experience the death rate in the tropics is ten (10) per cent. According to the experience of the English army in India the disabilities from sickness requiring a return of the troops year by year is twenty (20) per cent., more than one-half of the British troops in India becoming infected with venereal disease, five (5) per cent. being invalided and sent home each year from this class of disease only. By comparison of all the data it becomes apparent that about one-third of the white troops stationed in tropical climates must be replaced year by year by fresh levies to make up for death and disability.

Under the title of "Public Works of the War Department" there is no hint of any probable expenditure outside the limits of the present United States. There is no estimate of the cost of restoring or maintaining fortifications and increasing the land armaments of the Philippines, Porto Rico, Cuba, and Hawaii. There is no estimate of the cost for permanent barracks, hospitals, or other buildings.

Under the head of the navy there is no estimate submitted for the cost of constructing new ships of war; only for maintaining the existing navy and completing the ships already ordered by Congress. There is no estimate of the cost of establishing coaling stations, maintaining docks, or for buildings for the use of the navy, either at Hawaii, Porto Rico, Cuba, or the Philippines.

In fact, upon the examination of the estimates submitted by the Army and Navy Departments no one could tell that there would be any call for spending

any money in or upon these tropical islands, except for the support of troops on the basis of the average cost of troops stationed within the limits of the United States under wholesome and healthful conditions.

Again, under the head of pensions, Secretary Gage calls for a less sum than is now being expended, apparently counting upon that lessening of the present pension roll which must ensue from lapse of time. There is no sign or hint of any pension being granted to the survivors of the Spanish war or for the support of twenty per cent. at least of all troops sent out each year to the tropics who will be brought back wholly or partly disabled.

Under these conditions it is not an excessive estimate to add from seventy-five to one hundred million dollars (\$75,000,000 to \$100,000,000) to the figures of the Secretary, deducting whatever may be right for lessening the number of troops estimated upon in the army estimates to the number of one hundred thousand or more demanded by the military officers of experience.

In the matter of revenue Secretary Gage holds out the expectation to secure two hundred and five million dollars (\$205,000,000) from duties on imports. That estimate is based on the continued receipt of duties on sugar, tobacco, cigars, rice, and tropical fruits. The decisions of the courts are, however, continuous and final to the effect that whenever the jurisdiction of the United States is extended over an area of territory the inhabitants thereof become entitled to move without let or hindrance throughout the country, and subject to the same laws for the collection of revenue as have been previously in force in the United States. It therefore follows that if the sovereignty of Porto Rico and the Philippine Islands is assumed their sugar and other products, like those of Hawaii, are entitled to free entry. It would follow that all duties must be taken from the sugars of Cuba; otherwise Cuba would be ruined. (*Vide* Sect. 1977 U.S. Statutes, cited herewith.)

The loss of revenue under these conditions would be approximately seventy-five million dollars (\$75,000,000).

The only conclusions which can be derived from these official data are therefore as follows:

| | |
|---|---------------|
| Deficit computed by the Secretary of the Treasury for the fiscal year ending June 30, 1900 | \$30,000,000 |
| Add for the necessary increase in the army, navy, and pension estimates to cover the extra expense of military occupation, armaments, fortifications, renewal of forces, increase of pensions, and for other matters of positive necessity under such conditions, say | 85,000,000 |
| Total deficit on the Secretary's computed revenue . . . | \$115,000,000 |
| Add prospective loss of revenue from sugar, tobacco, cigars, rice, and tropical fruits, unless some way can be found for evading what are apparently the decisions of the courts in this matter, | 75,000,000 |
| Probable deficit | \$190,000,000 |

So far as we have any information, the standing army called for by the principal officers of the army will number one hundred thousand (100,000) men, of whom it is computed by them that eighty thousand (80,000) will be required for the military occupation of Porto Rico, Cuba, the Philippine Islands, and for garrisons and military service in Hawaii. That would leave only twenty thousand (20,000) men in the domestic service, where twenty-five thousand (25,000) are said to have been insufficient.

It will be observed that with 22,500 men already in Manila more troops were

called for to meet insurgents at Hilo. Three regiments were at once despatched — yet more troops have been computed for Cuba than for the Philippines!

The computation of the Secretary of War on which the estimates are submitted appears to contemplate a standing army of about fifty thousand (50,000) men and a volunteer army of about one hundred thousand (100,000) men, but it is very difficult to make out on what basis the confused figures of this estimate are made up. The facts cannot be ascertained exactly without an official inquiry. It is probable that the estimates of the War Department contemplate the absolute necessity of permanent camps in addition to the regular army in domestic service wherein recruits may be trained to supply the gaps by disease and death in that part of the army which is in service in the tropics. According to the experience of the English and the French, more than two thousand (2,000) recruits would be required every month to maintain the force of eighty thousand (80,000) men from the start. It is therefore probable that no reduction can be made for excess in the number of forces computed by the Secretary of War above the claims made by the army officers.

In order to forestall any possible criticism or charge of bias in this computation we may deduct forty million dollars (\$40,000,000) from the sum previously added, still leaving the net deficiency one hundred and fifty million dollars (\$150,000,000). Excess of expenditures, \$75,000,000. Probable deficiency of revenue, \$75,000,000.

It will be remarked that the normal cost of the government of this country, civil, judicial, army, navy, public works, interest, and pensions, has been for twenty years, ending June 30, 1897, a fraction under five dollars (\$5) per head, which rate assessed on 78,000,000 would come to \$390,000,000.

The lowest expenditure of which any suitable estimate can be made of the cost of the government under the expansion policy, coupled with the military occupation of the Philippines, Cuba, and Porto Rico, is eight dollars (\$8) per head, which rate assessed on 78,000,000 people would come to \$624,000,000, — a difference of three dollars (\$3), which being assessed on 78,000,000 of people amounts to two hundred and thirty-four million dollars (\$234,000,000). Of this sum not less than one hundred and fifty million dollars (\$150,000,000) must be raised by new taxes in addition to those which are now in force.

In order to meet this estimate of cost, an increase in exports and imports yielding ten (10) per cent., to the amount of \$2,340,000,000, must be attained. That is to say, our present volume of exports and imports must be doubled, and this tax must be collected from them, before any profit can be gained from an increase of commerce under this policy of expansion, which has been so truly designated by President McKinley as "Criminal Aggression."

It will be observed that the excess of the money received from Pacific railroads on bonds previously paid has been expended under the first appropriation of money in the Treasury to meet the beginning of the Spanish war. The proceeds of the war loan have nearly all been expended, and that sum will be exhausted by May 1st or earlier in making payments still due to the active war with Spain. It therefore follows that the deficit in the fiscal year beginning July 1, 1899, ending June 30, 1900, must either be met by increased taxation or must else be drawn from the present reserve now in the United States Treasury. The first duty of the Congress now elected, which will meet December, 1899, will be to restore the reserve in the Treasury to a safe and suitable condition by an immediate increase of taxation to the amount of the computed deficit.

In this computation I have endeavored to state the facts which are developed in the official reports, without bias or color. I should be glad to have the advocates of expansion go through this matter and point out the errors, if any, which may exist in this statement.

It will be apparent to every business man that the present favorable aspect of affairs in almost every line of work must be changed as soon as it becomes evident that from and after May 1st, or thereabout, the reserve of the Treasury will be drawn upon at the rate of ten to fifteen million dollars (\$10,000,000 to \$15,000,000) per month continuously in order to meet the deficit disclosed by these facts. Unless there is an extra session of Congress there could be no remedial legislation in less than about one year. In that year the whole business of the country will be placed in uncertainty by the depletion of the reserve of the Treasury in the absence of any sound banking legislation at the present session of Congress.

It will also be observed that if the computations herein are justified, the cost of army, navy, and pensions will be over six dollars (\$6.00) per head, or about fifty per cent. above the heaviest burden that militarism now imposes on any country in Europe.

PROPOSED INTERROGATORIES.

Neither the estimates of the Secretary of the Treasury nor the foregoing computation can be justified without a full and detailed reply to the following questions:

War Department.

In making up the estimate of expenditures in the fiscal year ending June 30, 1900, given in the report of the Secretary of the Treasury, which is as follows:

| | |
|----------------------------------|---------------|
| Executive Department | \$2,373,866 |
| Military Establishment | 145,119,431 |
| Public Works | 42,852,991 |
| <hr/> | |
| Total | \$190,346,288 |

First. — What number of officers and men is it contemplated to retain in the present United States in domestic service?

Computed cost of this service?

Second. — What number of officers and men is it contemplated to keep, under existing or probable future conditions, in the military occupation of —

A. — Philippine Islands?

Computed cost of this service?

B. — Porto Rico?

Computed cost of this service?

C. — Cuba?

Computed cost of this service?

D. — Hawaii?

Computed cost of this service?

Third. — What number of men is it contemplated to keep in reserve in camp or barracks in order to maintain the full number of troops in military service in the tropics?

Computed cost of this service?

Fourth. — What is the expected death rate of troops —

In the Philippines?

In Cuba and Porto Rico?

Fifth. — What is the death rate of white troops stationed in the tropical colonies of —

A. — Great Britain?

B. — France?

C. — Holland?

Sixth. — What is the computed ratio of sickness in the tropics —

A. — From fevers, malaria, small-pox, and similar diseases?

B. — From venereal diseases?

Seventh. — What is the ratio of sickness in the British, French, and Dutch tropical possessions, separating venereal from other diseases?

Eighth. — Is it contemplated to regulate venereal disease by a license system coupled with frequent examinations?

Ninth. — At what rate and in what proportion is it computed that men will be sent home invalided from disease —

A. — From Philippine Islands?

B. — From Cuba?

C. — From Porto Rico and Hawaii?

Tenth. — What sum if any is included in the estimates for a permanent or adequate system of transport of troops?

Eleventh. — What sum if any is included in the estimates for the establishment or renovation of fortifications and for the supply of guns —

A. — In Philippine Islands?

B. — In Porto Rico?

C. — In Cuba?

D. — In Hawaii?

Twelfth. — What sum is included, in the estimates for barracks or buildings of any kind, separating the works on the coast from the necessary health cantonments upon the hills, in the respective places?

Navy Department.

In making up the estimate of expenditure in the fiscal year ending June 30, 1900, given in the report of the Secretary of the Treasury, which is as follows:

| | |
|--------------------------------|------------------------|
| Executive Department | \$502,280 00 |
| Naval Establishment | 39,114,652 00 |
| Public Works | 8,013,599 00 |
| Total | <u>\$47,630,531 00</u> |

First. — What computation if any is included for the construction of naval vessels recommended but not yet ordered by Congress?

Second. — What computation if any is included for manning such additional vessels?

Third. — What computation if any is included for the establishment upon land of coaling stations, piers, buildings, or other appliances necessary to the naval stations contemplated —

A. — In the Philippine Islands?

B. — In Porto Rico?

C. — In Cuba?

D. — In Hawaii?

Treasury Department.

In making up the estimate for pensions in the fiscal year ending June 30, 1900 —

First. — What sum was included if any to cover pensions that may be granted for disabilities incurred in the war with Spain?

Second. — What sum if any was included to cover pensions that may be granted for disabilities incurred in the military occupation of the Philippine Islands, Porto Rico, Cuba, and Hawaii, or for widows and children of those who may die in this service?

UNIFORMITY OF TAXATION — EFFECT OF EXPANSION UPON REVENUE.

It is claimed that the United States may assume sovereignty over Porto Rico and the Philippine Islands, may establish military and civil control over their inhabitants, and by act of Congress impose upon them internal taxes and duties on imports without regard to the revenue act in force within the present area of the United States. It is also held that after having accepted cession and sovereignty the imports of sugar, tobacco, rice, and fruits from that part of the United States then known as Porto Rico and the Philippine Islands may be subjected to the same duties which are imposed on imports from foreign countries that may then be in force in that part of the United States which is upon the continent of North America. With the aid of counsel of repute (Mr. Moorfield Storey) the subsequent decisions of the Supreme Court and other *dicta* are cited, nearly all taken from an exhaustive pamphlet entitled “National Expansion under the Constitution,” by Mr. Edwin Burritt Smith, of the Chicago bar, or from an article on the “Constitutional Aspects of Annexation,” by Carman F. Randolph, of Morristown, New Jersey, published in the “Harvard Law Review,” January, 1899.

Before giving these citations, attention may be called to the provisions of the Statutes of the United States:

Revised Statutes U.S. Title XXIV. Section 1977. — Equal Rights under the Law.

All persons within the jurisdiction of the United States shall have the same right in every State and Territory to make and enforce contracts, to sue, be parties, give evidence, and to the full and equal benefit of all laws and proceedings for the security of persons and property as is enjoyed by white citizens, and shall be subject to like punishment, pains, penalties, taxes, licenses, and exactions of every kind, and to no other.

Territory — A tract of land belonging to or under the dominion of a prince or state, lying at a distance from the parent country or from the seat of government. — *Webster's Dictionary*.

Citations.

1. — Our institutions rest upon the proposition that governments derive their just powers from the consent of the governed. This consent means the active participation by the governed in a government which is their own and which they alone control. Our rulers are the elected servants of the people.

2. — The President and the Congress of the United States must govern all new acquisitions of territory under and by virtue of the Constitution.

In the language of the Supreme Court, “it cannot be admitted that the king of Spain could by treaty or otherwise impart to the United States any of his royal prerogatives; and much less can it be admitted that they have capacity to receive or power to exercise them. Every nation acquiring territory, by treaty or otherwise, must hold it subject to the constitution and laws of its own government.”

3. — “All persons born or naturalized in the United States and subject to the jurisdiction thereof are citizens of the United States and of the State wherein they reside.” — Fourteenth Amendment.

Congress has no authority “to restrict the effect of birth, declared by the Constitution to constitute a sufficient and complete right to citizenship.”

United States v. Wong Kim Ark, 169 U.S. 705.

All citizens of the United States have the right to enter its seaports, to pass freely from one part of its territory to another, and to reside in any State.

Crandall v. Nevada, 6 Wall. 35.

By the annexation of territory, says Chief-Justice Marshall, “the relations of the inhabitants with their former sovereign are dissolved, and new relations are created between them and the government which has acquired their territory. The same act which transfers the territory transfers the allegiance of those who remain in it.”

American Ins. Co. v. Canter, 1 Peters, 542.

The transfer which imposes the allegiance confers the rights of a citizen.

From these established principles it follows that the inhabitants of the Philippines — Malay, Spanish, or Chinese — become American citizens, entitled to settle in any State and to become citizens thereof. China will enter the United States through the gate of Manila.

4. — The Constitution also provides that “all duties, imposts, and excises shall be uniform throughout the United States.” Congress has no power to except any Territory of the United States from the operation of this provision.

5. — The United States is, in the language of Chief-Justice Marshall, “the name given to our great Republic, which is composed of States and Territories. The District of Columbia and the territory west of the Missouri is not less within the United States than Maryland or Pennsylvania; it is not less necessary, on the principles of the Constitution, that uniformity in the imposition of imports, duties, and excises should be observed in the one than in the other.”

Loughborough v. Blake, 5 Wheaton, 317.

Hence all the duties now collected from sugar, tobacco, rice, and fruit — from seventy-five to one hundred million dollars — will be lost if we annex the islands freed from Spain, and this deficit must be met by new taxes, in addition to the new taxes which our increased expenses will require.

These are results from which we cannot escape under our Constitution if we would, and the examples of other nations do not help us, for the reason thus stated by Abraham Lincoln :

“Most governments have been based practically on the denial of the equal rights of men . . . : ours begins by affirming those rights. They said, Some men are too ignorant and vicious to share in government. Possibly so, said we, and by your system you would always keep them ignorant and vicious.

“No man is good enough to govern another man without that other's consent. I say this is the leading principle, the sheet anchor of American republicanism.”

The authors of the Declaration of Independence “meant to set up a standard maxim for free society, which should be familiar to all, and revered by all; constantly looked to, constantly labored for, and ever, though never perfectly attained, constantly approximated, and thereby constantly spreading and deepening its influence and augmenting the happiness and value of life *to all people of*

all colors everywhere. . . . Its authors meant it to be, as, thank God, it is now proving itself, a stumbling-block to all those who in after times might seek to turn a free people back into the hateful paths of depotism!"

Lincoln at Springfield, June 26, 1857.

It was Stephen A. Douglas who said in reply: "They desired to express by that phrase (all men) white men, men of European birth and European descent, and had no reference either to the negro, the savage, Indians, the Fee-gee, the Malay, or any other inferior and degraded race, when they spoke of the equality of men."

And Lincoln who said:

"When the white man governs himself, that is self-government; but when he governs himself and also governs another man, that is more than self-government, that is despotism."

CONCLUSION.

The pretexts upon which this so-called policy of Imperialism is promoted consist of mixed motives of piety, profits, and patriotism.

To the advocates who hope for a great field in missionary service we may put the question, How many of the youth of America will you subject to vice as a sacrifice for each heathen convert that you may make?

To the advocates of the expansion of commerce we will put the question, How much will you increase the power of the people of the Philippine Islands to consume American goods when in fact during the last ten years they have bought of us on the average one hundred thousand dollars' (\$100,000) worth a year? Yet we have bought of them annually in the same period an average of seven million dollars' (\$7,000,000) worth, mainly of sugar and hemp, and from the export duties on these products the Spanish government has secured its principal revenue; such export taxes being forbidden by the Constitution of the United States.

To those who set up the pretext of patriotism we call attention to the reflex of militarism, the pauper labor of Continental Europe waiting for its remedy until the masses who carry the guns turn them against the classes who carry the sword — to their oppression in the conscript service, which is eating out the heart of Europe.

To the workmen we put the question, How long will you bear an additional tax on the articles of common use which are consumed not in proportion to ability, but in proportion to numbers, from which the principal revenues of the United States are collected, such additional tax upon every one of your families of five persons surely coming to not less than fifteen dollars (\$15) a year.

The pretexts are piety, profits, and patriotism: the conclusions vice, venality, and pauperism. These are the constants which surely accompany the rule of blood and iron and the control of the masses by the military classes.

EDWARD ATKINSON.

II.

THE HELL OF WAR AND ITS PENALTIES.

President McKinley said rightly that to allow a war undertaken in the name of humanity to be perverted into a war of conquest would be a crime, but I doubt if he was fully aware of the penalty which would at once be met by the criminal nation.

A war of conquest or any permanent occupation of tropical countries by white troops brings not only fevers and malaria upon them of well-known kinds, but yet worse, more fatal and more certain to bring moral and physical degeneration upon them, is the infection of venereal disease.

There are many good people whose sympathies have been aroused by the anticipation of being enabled to carry the benefits of Protestant Christianity and of personal liberty to the oppressed in the West Indies and the Philippine Islands. We may even admit all that is urged in favor of making the conquest of these islands upon these grounds, but before we undertake this philanthropic enterprise may it not be judicious to count the cost? I do not mean the money cost and the necessity which has lately been made very plain of adding new taxes even to the war revenues now being collected. That burden we can bear if we must. The greater cost will be the corruption of the blood through the infection of every force that will be annually called out to maintain our rule.

It may be well to ask all who are imbued with this missionary sympathy, how many young men of our own brotherhood are you willing to sacrifice for each convert? How many of your own sons will you expose to sure infection and degeneration in the conduct of your philanthropic purpose? Or will you satisfy your own consciences by consenting to the necessary conscription of other people's sons when it presently becomes impossible to maintain our armed forces in these islands without a draft?

I know that this is a very unsavory subject and that I am using terms which are not commonly spoken aloud, but it happens that in the course of my social studies my attention has been called to this social evil, and I think I should be wanting in my duty if I did not call public attention to the dangers in the plain way.

To that end I lately addressed a letter to President McKinley, of which the following is a slightly condensed copy:

“PRESIDENT WILLIAM MCKINLEY:

“SIR: I venture to present a protest against any longer occupation of the Philippine Islands, of Cuba, and of Porto Rico, or the use of any larger forces than are needed to enable the people of these islands to frame and form a method of government under which personal liberty and individual rights may be established, and to enter upon this undertaking. Whether or not they are capable of maintaining such governments after their being enabled to do so by the removal of the Spanish rule is not a matter with which we have any permanent concern.

“I present this case, as hereinafter stated, in my personal capacity, pending the organization of what will probably become a great national Anti-Imperialist League, founded on the principles of Washington's Farewell Address, for

which the preparations are being made and the consultations are being had throughout the country.

“To the extent named the burden of temporary occupation must be assumed; beyond that, any exercise of dominion or sovereignty would be as unwarranted in principle and as inconsistent with the maintenance of our republican institutions as it would be dangerous to the armed forces required.

“The political wrong of assuming sovereignty by force over any part of these islands after a war undertaken in the name of humanity has been so forcefully stated by yourself that no words of mine could bring out the iniquity of such a course more plainly, but it is feared that your hand may be forced again, as it was apparently, into a premature declaration of war by the acts of Senators whose apparent judicial reports of what they thought they saw in Cuba were disproved a week later by one of the constituents of the one who had the most influence, who followed after him, and has since been fully disproved by the facts of the case. It is therefore now the right and duty of every true and patriotic citizen to support you in resistance to these evil influences by bringing out in the plainest terms the physical and social dangers and evils which must and will ensue if large armed forces are kept upon land for any length of time upon any of these islands and from which naval forces can only be protected by keeping them off the land.

“The greatest and most unavoidable danger to which these forces will be exposed will neither be fevers nor malaria; it will be venereal diseases in their worst and most malignant form. It is this which has reduced the population of Hawaii to a degenerated remnant, four per cent. of whom are isolated under sentence of death from leprosy: a disease of a similar type, perhaps not from the same cause, which gives evidence of the utter degeneracy of these poor people. It is fortunate, on the testimony of one of the highest judicial officers of the Sandwich Islands lately in Boston, that no large armed force will be required in Hawaii, admitting that none such could be sustained without infection. His view is that one hundred and fifty to two hundred middle-aged men of established character would suffice for all the exhibition of force that may be needed to maintain order.

“The records of the British army in India and China, and the condition of the English troops in Hong Kong, lately reported to me by an English gentleman who has been studying social conditions throughout the world, are horrible in the extreme. He stated that fifty per cent. of the English troops in Hong Kong were infected with venereal disease every year. It is well known that while there may be an apparent cure this disease works corruption of the blood to the third and fourth generation, ending in degeneracy.

“The records of the Medical Department and the testimony of the visitors to our own camps in this country, coupled with the observations of members of Congress with whom I have consulted, prove that this phase of the hell of war had taken firm hold of our troops even before they had been exposed to the greater hazard at their points of destination in Cuba, Porto Rico, and Manila.

“The precautions reported to me by commercial men who are thoroughly familiar with the conditions of these places, especially Manila, made necessary even on the part of private persons lest the infection should be carried from lavatories and the like, indicate the utterly corrupt condition of all the principal cities in these islands.

“It is no time to mince words or to forbear plain speech under a false sense of delicacy. These words must be spoken. This danger must be publicly named and these facts must be widely known, and the exposure to the corruption of the young blood of this nation must be stopped. It is not a pleasant duty, but I shall assume this duty. The final responsibility will rest upon yourself and all who have authority. Unless you would invite the execration of the mothers of our

land and cause your administration to stand recorded in history with utter condemnation, you cannot ignore or slight these facts and this danger, which is an evil worse than death, worse than war; to try to ignore it and not to provide against it in every possible manner by avoiding the inclusion of these islands in our domain will be to the disgrace of those who shall bring this danger of corruption of the blood upon our country, — a greater disgrace than all other losses of honor combined.

“Measures are being taken to bring conclusive evidence of the facts which I have stated before Congress at the earliest possible date. I have sent to England for the medical records. I trust that you will order the Commission now engaged in the investigation of the war to deal with this subject.

“I pledge to you the support of every right-minded man and woman in your effort to carry out your declared purpose of limiting the exercise of force by this country to the cause of humanity without permitting it to degenerate into a war of conquest. ‘Imperialism,’ so-called, is an evil in all its phases, whether viewed from the political or economical side, but it is more sure to promote moral, physical, and social degradation than it is to work evil in any other direction.

“It is my purpose as soon as our organizations are completed, and as fast as measures can be taken, to give publicity to these facts throughout the country.

“I hope it may be consistent with your present duty to reply to this letter for publication, to the end that we may again have occasion to express our sympathy with you for the difficult position in which you have been placed, and to give you the assurance of our continued support; not only Republicans, but the great body of Independent and Sound Money Democrats who turned the scale in the presidential election, who will give you continued assurance of their support in the declaration which you made against the perversion of the war conducted in the name of humanity into a war of conquest. That perversion is now disguised by those who advocate it, but the forced extension of the sovereignty of this nation over great populations who can never be assimilated with us politically, socially, or industrially is nothing more and nothing less than for this country to undertake a war of conquest which will be condemned and is condemned by every right-minded man and woman in our land.

“I know from previous experience how dense is the screen by which the supporters of bad measures attempt to surround the chief executive of the nation. When the Inflation Bill of 1874 was impending, Vice-President Wilson called upon me, — knowing I had a wide correspondence with sound money men throughout the West; he stated to me that under the pressure which was being brought to bear upon the President in Washington he was being misled into the belief that public opinion required him to sign the Inflation Bill, and Mr. Wilson called upon me to bring to bear upon him the true public opinion of the country to the utmost of my ability. I immediately telegraphed to a number of men in the great Western cities who had agreed to act together in any emergency to send in protests against the Inflation Bill day by day, signed by a few men of prominence, — preferably those known to the President, — while protesting meetings in New York and Boston were immediately organized, the latter by myself. The evidence was thus placed before President Grant of an overwhelming kind, that he was being misled and deceived by the advocates of bad legislation who surrounded him.

“After his term had expired I met President Grant. He turned the conversation to the financial issue, saying to me that I was entitled to know the history of the veto of the Inflation Bill. He said, ‘I had prepared a message to accompany the bill signed, stating my objection to it, and that I had yielded to what I assumed to be the public opinion of the country; but presently the protests came in to me from the leading men of all the great Western cities accompanied by the

New York and Boston meetings, and I found that the true public opinion of the country would sustain me in doing what was right and what I knew would be right. I read over the message which I had written to accompany the bill signed. I said to myself, this is all sophistry. I do not believe it myself, and no one else will believe it. I tore it up and substituted the veto message. To which I replied, 'Veto and Vicksburg, — the victory of Peace and the victory of War.' You now have the opportunity, supported as you will be by the true public opinion of this country, to emulate the example of that grand man to maintain peace, order, and industry without violating the principles laid down in Washington's Farewell Address, and without violating the spirit of the Constitution. In that you may rest assured of the continued support of all men to whom you would resort for cool, deliberate, and sound judgment throughout the country.

"Yours with great respect,

"BOSTON, NOV. 14, 1898."

"EDWARD ATKINSON.

Supplement to "The Hell of War and its Penalties."

Since the earlier editions of this pamphlet were printed I have received Parliamentary Reports — East India (Contagious Diseases) — No. 1 and No. 3 (1897).

No. 1. — Report of Departmental Committee, presented to Parliament.

No. 3. — Report of a Committee of the Royal College of Physicians.

These documents prove that if this danger is not fully investigated and duly considered in dealing with the disposal of Cuba, Porto Rico, and the Philippine Islands, both Executive and Congress may hereafter be held guilty of a criminal evasion of their duty.

BOSTON, DEC. 15, 1898.

EDWARD ATKINSON.

REPORTS.

No. 1.

"THE EARL OF ONSLOW, G.C.M.G., *Chairman* :

"It must not be forgotten that these are all young men, not much more than lads, who upon entering the service were medically examined, and would have been rejected had they then shown any symptoms of constitutional taint.

"During their short term of military service a great part (in some cases more than half) of their time has been spent in hospital, either in India or at home. Before reaching the age of twenty-five years these young men have come home presenting a most shocking appearance: some lay there having obviously but a short time to live; others were unrecognizable from disfigurement by reason of the destruction of their features, or had lost their palates, their eyesight, or their sense of hearing; others again were in a state of extreme emaciation, their joints distorted and diseased. Not a few are time-expired, but cannot be discharged in their present condition, incapacitated as they are to earn their livelihood, and in a condition so repulsive that they could not mix with their fellow-men. Their friends and relatives refuse to receive them, and it is inexpedient to discharge them only to seek the asylum of the poorhouse; so they remain at Netley in increasing numbers, which, as matters now are, seem likely to continue to increase."

"*Influence on the health of the population at home.* — Some of its victims are completely crippled, while the danger exists, in the case of each of them who may afterwards marry, that he may transmit to his wife and children a loathsome and horrible complaint. This danger is not indeed confined to the Netley invalids, but extends to a far larger and increasing number of men who annually come home with the seeds of constitutional disease in their systems.

"More than 13,000 British soldiers annually leave India, most of whom are eventually absorbed among the civil population at home. How large a proportion of these bring home the seeds of communicable and inheritable disease may to some extent be estimated from the following figures: It was ascertained that of 70,612 British soldiers serving in India on the 15th July, 1894, 19,892, or 28 per cent., had been admitted to hospital for syphilis since arrival in India. Only 26,217 men, or 37 per cent., had never suffered, in or out of India, from any form of venereal disease. And all the evidence we have points to the existence of a still worse state of things since that date. Less than 1 per cent. of these men are married. It is to be feared that a considerable number who

have contracted disease marry afterwards, and are liable to transmit it to their wives and children. Nor is intercourse between the sexes the only means by which syphilis can be communicated. Doctors contract it in the performance of their duties. It may be caught through drinking out of a cup, or smoking a pipe, which has been touched by diseased lips; nurses can communicate it to infants, and infants to nurses. It is altogether a most easily communicable poison. The present condition of the army in India, with the enormous prevalence of venereal disease which has been shown to exist, yearly sending home thousands of men infected with constitutional taint, is therefore a great and growing source of danger to the whole community. The influence which it is liable to exercise upon the health of the home population is one of the gravest aspects of the whole question."

"Further, a great amount of sickness and inefficiency not coming under the head of venereal disease (*e.g.*, many cases of rheumatism, dysentery, heart-disease, etc.) is well known to be attributable to, or aggravated by, the specific disease."

"The hard fact remains that among a body of men mostly very young, and nearly all obliged by the conditions of the service to remain unmarried, removed from home ties and restraints into a country where climate and environments conduce to sexual indulgence, comparatively few are able to control the strongest passion in human nature, with the disastrous consequences, under present conditions, which the preceding paragraphs have described."

No. 3.

From Report of Committee of Royal College of Physicians. Dr. Wilks, President.

"Your committee beg leave to report as follows:

"They have referred to a number of official and other reports and publications bearing upon the subject of the prevalence of venereal disease in the British Army in India; and some of their number proceeded to Netley, in order to inspect the numerous patients at present under treatment in the wards of the Royal Victoria Hospital, with the view of personally ascertaining the nature and type of the disease from which they are suffering. On the day they visited the hospital it contained 752 patients, of whom 219 were syphilitic cases. The last troopship brought 312 invalids, among whom were 76 cases of syphilis. It is difficult to describe the painful impression made by the inspection of these sick soldiers. Almost every variety of constitutional syphilitic disease was represented, those of a virulent form being very numerous, and the results of the disease were in many cases deplorable, while the appearance of the sufferers was most pitiable. The records of the hospital show that the number of such cases has largely and steadily increased in recent years, and that almost all have arrived from India."

"The constitutional form of the disease is one of the most serious, insidious, and lasting of all the contagious diseases that afflict humanity. Other contagious complaints, *e.g.*, small-pox or scarlatina (which in this and other civilized countries are made the subject of legislative interference in the interest of the population at large), are transmissible only for a limited time and not by inheritance; yet the sufferers are separated during the course of the disease, and for as much longer periods thereafter as experience has found to be necessary for safeguarding others from infection. With syphilitic disease it is far otherwise: it is the most lasting in its effects and most varied in the character of its specific manifestations; it frequently gives rise to consequences far removed from its initial symptoms, most seriously implicating and affecting various organs of the body; it complicates other diseases; its contagious properties extend over lengthened periods of time, during which the sufferers are often a source of danger to innocent people, while they may be, and frequently are, as parents, the source whence specific infection is transmitted to their children."

"About 13,000 soldiers return to England from India every year, and of these, in 1894, over 60 per cent. had suffered from some form of venereal disease. These figures are quoted as showing more forcibly than words can the risk of contamination, not only to the present population of this country, but also to its future generations. Of these men a number die, or, remaining invalids, are more or less incapacitated from earning their own livelihood, and thus become a burden on the rates."

Addenda to "The Hell of War and its Penalties."

January, 1899.

Only a part of the horrors of military control in tropical climates have yet been exposed. The following official report will be followed by others as soon as received.

This report should be considered in view of the forced retention in the army of the volunteers for the Cuban war for service in the Philippine Islands; attention may be called to what that service means.

In 1895 France took possession of Madagascar, a compact island off the African coast, 230,000 square miles in area, of which about one-third is mountainous and therefore reasonably healthy. The northern end is in latitude 12° S; the southern end 25° S. The inhabitants are computed at 3,500,000.

The following extracts from an official report of Drs. Burot and Legrand, Naval Physicians of the Campaign in Madagascar, will surely indicate the probable results of our present campaign in the Philippine Islands, which are much nearer the equator, and where our forces must of necessity be confined to the most dangerous section of the malarious and pestilential coast stations until we have conquered the savage tribes of the interior who have never been subdued by Spain.

[Translation.]

(FRENCH) CAMPAIGN OF MADAGASCAR.

"The mortality in the body of troops sent on this expedition exceeded all the pre-visions. In 10 months, from March to December, without any bloody encounter with the enemy, the army lost nearly as many men, all due proportions being kept, as during the five years of the Mexican campaign, from 1862 to 1867. Yet in Mexico our soldiers had also had to fight against a terrible climate, against the dreaded fevers of hot countries, and besides, against an implacable and well-armed foe.

"In Madagascar, out of an effective force of 12,850 men taken from naval and military troops, 4,189 deaths were reckoned, viz., about one-third, or, to speak more exactly, 325 out of every 1,000.

"Amongst the military troops the general mortality was of 356 per 1,000, and amongst the naval troops of 237 per 1,000.

"The body which was the most severely afflicted was that of the military engineers (*sapeurs du génie*), which worked to the construction of the roads and bridges; two-thirds of them died. Then comes, with a proportion of 632 per 1,000, the 40th battalion of '*chasseurs à pied*,' which was worn out by its forced march on Tsarasotra, and of which not one man reached Tananarive. The squadron of the convoy troops (*train des équipages*) lost a little more than half of its effective force, the men being often obliged to tarry on the way and to do the work of coolies. The field artillery also suffered serious losses. Finally, the 200th infantry, without having fought, was broken up and could only send 163 men to Tananarive, to be represented.

"When affirming in Parliament (*à la Chambre*) that one had to expect to have about 60 per 100 of the men sick, even if the most minute precautions were taken, Mr. Isaac met with marks of incredulity. Yet he was far from the reality. It was not a question of sickness, but of death; the general average of deaths for the military troops reached nearly 40 per 100, whilst in some bodies of troops it was over 60 per 100.

“ Out of 2,000 men, the colonial regiment composed of volunteers from La Reunion and of the ‘ *malgache* ’ and ‘ *haoussas* ’ battalions, there were 309 deaths, which gives an average of hardly 15 per 100. This proves that native troops, strongly supported by Europeans, are the most enduring in colonial expeditions.

“ (Signed)

BRIOT & LEGRAND,

“ *Naval Physicians.* ”

The last statement will be remarked. These volunteers were acclimated. In any contest in the Philippines with the so-called insurgents our forces will be the unacclimated, less able to meet the bad conditions than even French troops; their adversaries will be men inured by resistance to Spanish forces, but now trying to establish their right to control their own affairs against the policy named by President McKinley “ Criminal Aggression.”

The Philippine Islands extend from latitude 4.40° N. to 20° N. They number 1,200, but the total area is not well settled, probably about 60,000 square miles; inhabitants about 9,000,000. Luzon is the largest area, 40,000 square miles; population very mixed; about 100,000 Chinese and a much larger number of half-breed Chinese and Malays.

If we are rightly informed there were 23,500 United States troops at Manila, but on an apparent danger that the native forces might take possession of Hoilo, and prove capable of establishing home rule, reinforcements were urgently called for, and three regiments have been hastily dispatched.

The United States forces sent to the Philippines are therefore now about double the number of regular French soldiers in the campaign in Madagascar.

By the rule of proportion, without making any allowance for the hotter and more pestilential conditions of the Philippine Islands, the death-rate in our forces in the Philippines in the first year will be one-third, or about 8,000 men,—probably a larger number will be sent home invalided.

As these conditions must be known to the executive officers of the government, through the records of the Surgeon-General’s office, the reason becomes plain why volunteers enlisted for the Cuban or Spanish war are now held on a technical agreement for two years’ service to be sacrificed in the Philippine Islands.

Lest others should be entrapped into enlistment in the regular army or the volunteer service in the tropics it will only be fair and honest on the part of the recruiting officers to be put in possession of these facts. Many self-sacrificing men might enlist on the certainty of death or disability within the two years, but will of course be married before leaving for Manila in order to be assured of adequate pensions for their widows and children.

The way to avoid all these penalties is plain. It is simply not to commit an act of “ Criminal Aggression,” a term so well chosen by President McKinley.

These islands can be neutralized; their commerce can be extended; the peace of God can be kept in all their ports. The people, already in part organized, can be sustained in the maintenance of order, if necessary by foreign officers serving by agreement among nations. It is only the will that has been wanting, but when that will is expressed as it is now being the Executive and Congress alike will cease to drift as they are now drifting without any apparently definite plan or purpose, without any comprehensive estimate of cost, and without any method yet devised to fill the gaps in our forces, caused by death and disease, already so apparent.

EDWARD ATKINSON.

ADDENDA TO EIGHTH EDITION or "THE HELL OF WAR AND ITS PENALTIES."

SICK RATE IN THE BRITISH ARMY IN INDIA.

Medical Department Report for 1896 (Parliamentary Blue Book).

In computing the probable rate of sickness and disability among American troops in tropical countries, especially in the Philippine Islands, it must be kept in mind that the latter are close to the equator, latitude 4.40° to 20° N., while India extends from 8° to 35° N. India is as a rule dry and possesses numerous health stations or cantonments on the hills, while the climate of the Philippines is damp and malarious. Even in comparing the hot and malarious parts of India with the Philippines it must be kept in mind that English troops are all regulars, that the number at each station is relatively small, and that at each station all the precautions known to modern sanitary science are taken in order to keep the sick-rate low. In the Philippines none of these precautions have been taken, — no well prepared stations exist, sanitary science is unknown, and our troops must be mostly volunteers under the direction mainly of inexperienced and ill-prepared line officers. With these facts in mind the following figures may give warning:

| | |
|---|---------|
| General average of India, number of warrant officers, non-commissioned officers, and men in service, 1896 | 70,484 |
| Admission to hospitals | 97,738 |
| Admissions per 1,000 | 1,386.7 |
| Average sick time, each soldier, days | 34.35 |
| Number constantly sick | 93.85 |

The above averages cover the so-called health stations as well as the plains.

For a true comparison with the Philippine Islands the condition of the troops on the plains must be taken, although the stations are as a rule dry and are much further north. Dealing with stations of above 150 men.

| | |
|---|-------|
| Ahmedabad, admissions to hospital per 1,000 men | 3,417 |
| Neemuch | 2,455 |
| Newgong | 2,299 |

Malarial fever about one-half; venereal diseases one-third in each case.

By districts the following figures are instructive:

| | |
|--|-------|
| Allahabad, average number of men in district | 2,493 |
| Diseases, small-pox, enteric, yellow, and other fevers, cholera, and dysentery | 631 |
| Malarial fever | 381 |
| Venereal diseases | 1,228 |
| All other diseases | 1,375 |
| Total admissions to hospital | 3,615 |
| Nerbudda, average strength | 1,316 |
| Diseases, small-pox, etc. | 127 |
| malaria | 904 |
| venereal | 528 |
| all other | 1,006 |
| Admissions to hospital | 2,565 |
| Mhow, average strength | 3,014 |
| Diseases, enteric fever, dysentery, etc. | 222 |
| malarial fever | 1,161 |
| venereal | 1,798 |
| all other | 2,016 |
| Admissions to hospital | 5,197 |

It will be remarked that at this station the admissions to hospital, from fevers and venereal diseases, numbered 3,181 in a total force of 3,014 men.

There are several more military districts further north, not as hot and much dryer than the Philippine Islands, where these same proportions of sickness constantly prevail.

The following paragraph from this report to the British Parliament will be read with interest: "Among the ten hill or convalescent stations it is found that Pachmarhi gives the highest admission ratio, 2,265 per 1,000; Murree the lowest, 1,091 per 1,000. Of the principal hill stations garrisoned by healthy troops and

having an average strength of over 150 men Sabathu gave the highest admission ratio, 1,705 per 1,000; the lowest rate occurred at Cherat, 386 per 1,000."

It may be safely assumed that the sick rate in the Philippines will in some measure correspond to the stations on the plains in India, adding whatever may be due to the humid climate, the lack of hospitals, etc., and the ignorance of line officers. The sick rate in the hill stations will correspond to what may be expected in Cuba and Porto Rico in the country districts, while the cities will for the present be worse than Bombay, Madras, Calcutta, etc., where about the average of India is found, 1,100 admissions to hospital in each 1,000 and a fraction less than ten per cent. constantly sick. Some of the regiments suffer more than others; apparently those most recently recruited. The figures of the proportion constantly in hospital are suggestive:

| | Strength. | Constantly Sick. |
|-------------------------------|-----------|------------------|
| 1st Royal Fusiliers | 931 | 118.61 |
| 2nd Royal Irish | 955 | 126.35 |
| 1st Royal Welsh | 877 | 140.19 |
| 2nd Welsh | 921 | 152.21 |

Another fact will be observed; namely, the increasing tendency to venereal diseases of the most malignant type which develops rapidly when the hopeless conditions of military service in the tropics become apparent.

VENEREAL DISEASES, 1896.

Admissions to Hospital per 1,000 men in service:

| | | | |
|---------------------------------|-------|---------------------------------------|--------|
| In Scotland | 112.7 | In India as a whole in 1895 | 411.4 |
| In Ireland | 123.7 | In India as a whole in 1896 | 522.3 |
| In England | 153.0 | In Mhow District in 1895 | 596.5 |
| In West Indies | 314.8 | In Belgamm | 574.1 |
| In Ceylon | 333.1 | In Rundelkhand | 671.3 |
| In China | 359.8 | In Rohilkhand | 711.8 |
| In Straits Settlement | 479.3 | In Jhansi | 859.9 |
| | | In Newgong | 1013.5 |

"There is a marked increase in the severity of the disease, the average duration of each case having risen from 27 days in 1895 to 35 days in 1896."

In the special report of the London College of Physicians, previously quoted, it is observed that this class of diseases is still increasing in number and malignity. See difference between 1895 and 1896.

In the conditions of the British Army in India in cantonments and barracks supplied with good water and fitted with all possible appliances we have the average rate of sickness requiring admission to hospitals under much better conditions than can be found in the Philippines and equal to any that can be established in Cuba,

In the ten months' campaign of the French troops in Madagascar we have the death rate under better conditions than can be expected in the Philippine Islands.

The young men of the United States who volunteered in a war undertaken in the name of humanity are now being compelled to serve in the "foreible annexation" which had not been thought of by William McKinley on the 11th of April, 1898, and to take part in a campaign of conquest which he then said "that by our code of morality would be criminal aggression."

It is now plain that this act will not receive the assent of the Senate at this session.

Before the next Congress can be brought together it will become plain:

First. — That the way to avoid the immolation of our troops is for Congress to forbid conquest and criminal aggression.

Second. — That the way is plain to secure peace without accepting the cession of the Philippine Islands and without making their inhabitants citizens by bringing them under the jurisdiction of the United States.

Third. — That the way to save the lives and health of the troops now exposed is by ordering them home, since after peace is declared there is no authority of law to keep them abroad and there can be no lawful function which they can perform in foreign territory in time of peace.

Fourth. — The way has already become plain for the youth of the land to avoid disease and death in the tropics by refusing to volunteer or to enlist in the army or navy of the United States.

Fifth. — The way will be found for the volunteers now held against their will to get their release from unlawful service in any other country than their own after peace is declared.

EDWARD ATKINSON.

III.

TREATISE SUBMITTED AT THE MEETING OF THE AMERICAN
ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE AT
THE MEETING HELD IN BOSTON ON AUGUST 25, 1898.

BY EDWARD ATKINSON.

HOW TO INCREASE EXPORTS.

It is a common remark that the machinery which is now applied to production in the United States is so effective on nearly every line of work that a few months' time, varying in different estimates from six to nine, would suffice to meet the necessary consumption of the people of this country under normal conditions. Hence the necessity for foreign markets. I believe all these estimates are exaggerated. There is but one product, cotton, of which more than one-half is exported. There are miscellaneous products of agriculture, such as grain, provisions, and dairy products, — of which the export varies from ten (10) to twenty (20) per cent. of the farm value, changing according to conditions and according to the relative product of this and other countries. There are very few branches of what are called manufacturing industries of which we now export in excess of ten (10) per cent., and from that down to a fraction of the total product.

Yet with here and there an exceptional period due to special conditions, such as the wide discredit and paralysis of industry which followed the silver craze of 1893, it is not often that the means of production of manufactured goods have been largely in excess of the consumption. The real truth is that it is now possible to increase productive mechanism either on the field, in the forest, in the mine or the factory, with very great rapidity, thus very quickly meeting a renewed demand after a period of depression or any new export demand which may be opened. Supply is, therefore, pressing on demand, and the relief of exports is, therefore, a constant need. It is also true that with the exception of a very few branches of industry, such as the woollen and worsted manufacture, in which, however low the prices may be, the cost of domestic production is yet greatly enhanced in this as compared to competing countries by heavy taxes on wool and other materials of foreign origin which are supplied to our competitors free of taxation, there is hardly a branch of production fitted to the climate of this country, either in agriculture, forestry, metallurgy, or manufacturing, in which we have not now such an advantage over other countries as to enable us to increase our exports in very large measure so far as the power of export rests on the cost of the production of any article which is in demand in foreign countries.

VAST INCREASE IN EXPORTS.

The exports of the fiscal year ending June 30, 1897, before the foreign scarcity of grain had exerted any considerable influence, exceeded a thousand million dollars (\$1,000,000,000) in value. The exports of the last fiscal year exceeded twelve hundred million dollars (\$1,200,000,000) in value; the gain in the export of manufactured goods being relatively almost as great as the gain in the export of the products of agriculture even under the influence of the scarcity which prevailed in Europe. These goods consist of nearly every crude, partly manufactured, and finished product of the country, with the exceptions named;

namely, those of which the cost has been relatively enhanced by taxes on the import of the materials. These goods are sent to every corner of the globe.

Large quantities go to the manufacturing States of Europe with which we compete, notwithstanding the fact that the wages which are recovered from the sale of these goods in this country are twenty-five (25) to one hundred (100) per cent. higher than they are in the manufacturing countries of Europe. Our goods are also sent in competition with the manufacturers of Europe to continents, nations, and States, in which the rates of wages are not one-quarter, and in some cases not one-tenth, as much as the wages earned on wheat and on other similar products are in this country. If the rate of wages governed the cost of labor, not one dollar's worth of any of our products could be sent to any part of the globe in competition with the products of the labor of other countries.

TO WHAT OUR SUPREMACY IS DUE.

Our manifest supremacy is due to several causes: First, This is the only manufacturing country which produces within its own area an excess of food, of fuel, of timber, of every metal except tin, an excess of cotton, the most important fibre. We do not produce an excess of wool, but whenever common sense is applied to the production of wool in the cotton States, alternately or concurrently with cotton on the same fields, we shall become large exporters of wool. It is not probable that we shall ever produce our own raw silk; certainly not so long as the reeling of the silk from the cocoon must be done by hand.

Our second paramount advantage is this: Our national taxes do not exceed two and a half (2½) per cent. upon our annual product, of which they constitute a share set apart for the support of government. Even with the increase of taxation which may follow the present war, our national taxes cannot exceed four (4) per cent. of our product. I compute the national taxes of Great Britain, which are double ours per head, and which are derived from a lesser product, at six (6) to seven (7), possibly eight (8), per cent.; Germany at ten (10) per cent.; France at fifteen (15) to eighteen (18) per cent.; while in poor Italy it is alleged that the national expenditures absorb a third of the entire product. Such are the relative disadvantages of militarism.

From the best information and study of the systems of taxation of all countries I am of opinion that the advantage of this country in the ratio which taxation for national purposes bears to the total annual product is not less than 4 per cent. in our favor, as compared to Great Britain, and from 8 to 15 per cent. as compared to the manufacturing States of continental Europe. Our average advantage is not less than 6 per cent. upon our total product. Now, as 6 per cent. is a large margin to be carried to profit and loss account in this country, where other countries would have no margin, we may deem our advantages in this matter apparently established unless we ourselves have the folly to enter upon a period of imperialism and militarism, with the consequent result of a very large increase in the burden of taxation.

Our third advantage is in the stimulus of climate applied throughout the more northern or distinctly manufacturing sections of the country to the most versatile, energetic, and well-trained body of workmen taken as a whole that can be found in the world. Under these conditions high wages have become a synonym for low cost of production, and we are now seeking how to extend the benefits of our commerce throughout the world.

PUBLIC MIND GRAVELY MOVED.

The public mind is being gravely moved on this question. Each section, each State, and the representatives of every branch of industry are turning their attention to the widening of their market. Admitting that the home market is and will

always be the largest and the most important, yet the representatives, especially of agriculture, have found out that the price of their entire product is fixed by what the surplus will bring for export. The export demand is the balance-wheel of the whole traffic of this country. The prosperity, indeed the very existence, of our present system of agriculture depends upon the development of exports, and since half the population is occupied either directly in agriculture or in the secondary processes of converting the crude products of the farm into their secondary forms for sale, the prosperity of manufacturers depends upon that of the farmers, who are their principal customers. May there not be a great deal of mis-directed energy unless the principles which govern the trade and commerce are fully considered?

The paramount power of supplying nearly all the necessities of life, which the world must have at the highest rates of wages and the lowest cost of production, has fallen to the United States. The demand for these goods exists throughout the world, but the purchasing power which must exist in order to supply that demand is very limited. The reasons for this limitation must be considered, lest time be wasted in efforts to open trade with nations that have the least power of purchase, while we neglect States and nations which possess the greatest power.

THE DESTINATION OF OUR EXPORTS.

What makes the power of purchase of foreign countries? Before dealing with that question, the following facts and tables should be fully considered:

TABLE NO. 1.¹

Valuation and Destination of the Exports from the United States.

| | Exports, 1885 to 1894. | Annual average. | Per cent. of total. | Approximate population. |
|--|---------------------------|--------------------|------------------------|----------------------------|
| United Kingdom of Great Britain and Ireland | \$4,060,135,619 | \$406,013,562 | 51.12 | 40,000,000 |
| British colonies and dependencies (white population 10,000,000, mixed 300,000,000) | 712,051,131 | 71,205,413 | 8.97 | 310,000,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| France, Germany, Holland, and Belgium, | \$4,772,189,750 | \$477,218,975 | 60.09 | 350,000,000 |
| | 1,809,533,962 | 180,953,396 | 22.78 | 104,000,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Russia, Austria, and other European States, | \$6,581,723,712 | \$658,172,371 | 82.87 | |
| | 482,379,273 | 48,237,927 | 6.07 | 230,000,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| China, Japan, and other countries in Asia not under British rule | 116,481,826 | 11,648,182 | 1.47 | |
| Africa not under British control | 6,847,818 | 684,782 | .09 | |
| Hawaii, Polynesia, and islands not British or Spanish | 44,318,757 | 4,434,876 | .56 | 642,000,000 |
| Small unenumerated places | 13,953,245 | 1,395,324 | .17 | |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| South America, omitting British Guiana, Spanish and French West Indies, Hayti, and San Domingo | \$7,245,733,631 | \$724,573,462 | 91.23 | |
| | 295,285,939 | 29,528,584 | 3.70 | 36,000,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Mexico | 244,755,771 | 24,475,577 | 3.08 | 2,500,000 |
| Central America, omitting British Honduras | 113,517,519 | 11,351,752 | 1.43 | 12,000,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| United States | 44,053,095 | 4,405,309 | .56 | 3,500,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | \$7,913,346,955 | \$791,334,695 | 100 | 1,450,000,000 |

From the above table covering the export of ten (10) years, ending June 30, 1894, it will appear that the United Kingdom of Great Britain and Ireland and her colonies bought from us in round figures sixty (60) per cent. of what we had to sell; France, Germany, Belgium, and the Netherlands twenty-three (23) per cent.; the rest of the world seventeen (17) per cent.

¹ Authority. Report of 1895, Bureau of Statistics, United States Treasury.

In the fiscal years ending June 30, 1895, 1896, and 1897, a slight change occurred, due to the increasing proportion of manufactures exported to other than British countries.

In the fiscal year ending June 30, 1898, although bad crops created an excessive demand for the products of agriculture among European States, yet the increasing exports of manufactured products to all parts of the world changed the relative proportions of foreign purchases in a considerable measure.

TABLE No. 2.

Exports of the United States for Twelve Months ending June 30, 1898.

| | | Per cent |
|---|-----------------|----------|
| United Kingdom of Great Britain and Ireland | \$540,860,152 | 43.92 |
| British colonies and dependencies: | | |
| Gibraltar | \$304,829 | |
| Malta | 64,352 | |
| Bermuda | 998,941 | |
| British Honduras | 555,179 | |
| British North America | 84,911,260 | |
| British West Indies | 8,382,740 | |
| British Guiana | 1,792,912 | |
| Australia | 15,603,763 | |
| British Africa | 12,027,142 | |
| British Asia | 10,961,055 | |
| | <hr/> | |
| | 135,602,173 | 11.04 |
| | <hr/> | |
| | \$676,462,325 | 54.93 |
| Germany | \$155,039,972 | |
| France | 95,452,692 | |
| Netherlands | 64,274,622 | |
| Belgium | 47,606,311 | |
| | <hr/> | |
| | \$362,373,597 | 29.43 |
| Austria-Hungary, Italy, Spain, and all other European States | 69,718,419 | 5.66 |
| | <hr/> | |
| | \$1,108,554,341 | 90.02 |
| South and Central America, Mexico, and West Indies not British, including Cuba and Porto Rico | 77,194,168 | 6.27 |
| Asia not British | 33,863,213 | 2.75 |
| Oceania not British, including Philippine Islands | 6,387,618 | .52 |
| Africa not British | 5,330,610 | .44 |
| | <hr/> | |
| | \$1,231,329,950 | 100.00 |

By this table it is made plain that in the last fiscal year the United Kingdom of Great Britain and Ireland took from us a fraction under forty-four (44) per cent.; the British colonies and dependencies eleven (11) per cent.; France, Germany, Belgium, and the Netherlands twenty-nine and forty-three one hundredths (29.43) per cent.; Austria-Hungary, Italy, and the rest of Europe five and sixty-six one-hundredths (5.66), while Mexico, South and Central America, Asia, Africa, and Oceania other than British were able to buy from us only a fraction under ten (10) per cent. of what we had to sell.

HOW WE ARE PAID FOR EXPORTS.

But there is another aspect of this case which is of the most profound importance. How did Europe pay for our exports? In the fiscal year ending June 30, 1898, the import of goods was as follows, even a part of these imports consisting of Australian wool, Egyptian cotton, Russian hemp, and some other articles bought in London, which is the centre of trade:

| | <i>Imports.</i> | |
|--------------------------|-----------------|---------------|
| Great Britain | | \$109,138,365 |
| Germany | | 69,696,907 |
| France | | 52,730,003 |
| Belgium | | 8,741,826 |
| Netherlands | | 12,535,110 |
| | | <hr/> |
| | | \$252,842,211 |
| Rest of Europe | | 53,249,603 |
| | | <hr/> |
| | | \$306,091,814 |

It will be remarked that in round figures we sold food, fibres, and fabrics to European States to the amount of over nine hundred and seventy million dollars (\$970,000,000). We bought from Europe goods, including Australian wool and Egyptian cotton, to the amount of three hundred and six million dollars (\$306,000,000). The difference of over six hundred and fifty million dollars (\$650,000,000) was passed to our credit in gold by weight at the measure of the pound sterling, which is the standard or unit of value in the conduct of foreign commerce.

SILVER ENTHUSIASTS ARE ILLOGICAL.

This huge sum was subject to our drafts, which we made for such gold coin as we needed to sustain our credit, also for the purchase of our own securities returned to this country, by so much liquidating our foreign debt, now very small; lastly, for the purchase of our tea, coffee, sugar, and other products chiefly bought in States or continents where silver money or paper money is used for local purposes, securing at the gold standard double the quantity that could have been bought at the market price of silver. Yet, grotesquely strange as it may seem, there are still a few illogical persons in this country who sincerely believe that it would be for the benefit of our farmers and manufacturers to make silver dollars a full legal tender at the rate of sixteen of silver to one of gold, or at the ratio of a dollar twenty-nine and a half cents (\$1.29½) per ounce of silver, and thereby to enable our European debtors to pay us on our contracts for wheat and corn and cotton at that rate with coin made in our own mint for silver which costs the British silver miners less than twenty-five (25) cents an ounce, and on which they are still making very large profits and increasing their product on a market price of about fifty cents.

Is it not manifest that the trade with Europe cannot be long upon these terms unless we become large lenders of capital to European countries? We cannot year after year sell our products for double or more of the value of what we buy from Europe, drawing gold in payments. In one or two years we should drain every bank in Europe, and we should have no use for the gold of which we now have enough. We are adding year by year to our stock of gold the product of our own mines, more than ample to meet any possible need of an additional reserve. For this reason, if for no other, in order to keep our largest market we must open up our ports free from any obstruction except what is made necessary in imposing duties for revenue only, or else the whole of the present undertaking to increase our export trade will utterly fail. The non-machine-using nations of the world have not the purchasing power to relieve us of our excess, and will not have it for decades and perhaps generations.

OUR GREAT CONSUMING POWER.

In making an effort to increase our exports we must give regard to the factors which make the consuming and therefore the purchasing power of nations greater or less. The consuming power of the people of the United States is greater than that of any other State or nation, for the reason that its power of production in

ratio to numbers is in excess of all others. We number about five (5) per cent. of the population of the globe. Yet we consume more than a third part of the commercial product of iron and steel, and are rapidly increasing our proportion while at the same time making heavy exports. We consume more than twenty-five (25) per cent. of the commercial product of cotton, producing about sixty (60) per cent., subject to variation. We consume nearly twenty-five (25) per cent. of the commercial product of wool, being for the present slightly deficient in production.

We consume nearly twenty-five (25) per cent. of the commercial product of sugar, nearly half the commercial product of coffee. What proportion of the meats and other animal food we consume as compared to other nations it is impossible to say, but it is enormously in excess. In respect to food products in general, we produce vastly more than we can consume, and our potential in production cannot yet be measured. We have the greatest capacity in the production of coal at low cost as yet developed in any part of the world, especially of the coals suitable for conversion into coke, and thereby for the manufacture of steel. But in this matter inventions which give an almost certain promise of success in the conversion of coal into power without wasting energy upon light or heat may ere long change all the conditions of the world in the development of power.

In dealing with the purchasing power of other States we may be governed by the same rule. In the States in which the potential energy has been most fully developed we find the most abundant consumption of food of high nutrition, thereby giving the staying power of men who are occupied in the direction of machinery and modern tools. As we pass from one State to another we find its consuming and therefore its purchasing power diminishing with the lessened quantity and lower quality of the food consumed, and the lessened staying power in the application of labor to the direction of mechanism. Relative nutrition and innutrition are prime factors in the application of labor to all arts.

WHO OUR BEST CONSUMERS ARE.

Following these lines, where do we find in fact our best consumers in ratio to numbers? First — In British North America, where approximately five million (5,000,000) well-endowed, well-fed, and well-bred men and women mainly of the same origin with ourselves bought from us goods and wares of every kind in the last fiscal year at the rate of nearly seventeen dollars (\$17) per head of the whole population, being relatively to numbers our largest customers.

Next — The English speaking people of the United Kingdom of Great Britain and Ireland, approximately forty million (40,000,000) in number, bought from us at the rate of thirteen dollars and a half (\$13.50) per head, by far our largest customers on the aggregate — second in amount per capita.

Next — The people of British Guiana, of the British West Indies, and of the Bermudas, under the just and equitable rule of the English common law, were enabled to buy from us in excess of six dollars (\$6) per head. The people of Australia, about five million (5,000,000) in number, far away, with industry as yet but slightly developed, whose product of wool we fine heavily, thereby reducing their power of purchasing our products, yet bought from us in excess of three dollars (\$3) per head. We may not measure the purchases of British Africa and British Asia because the goods thereto sent are distributed among those who rely upon the English protection for their increasing prosperity, the greater part of our exports being to British Asia and Africa.

ENGLISH SPEAKERS THE BEST BUYERS.

Suffice it, that either the English speaking people themselves or those of other races who have come under the protection and just administration of the

English law have developed the greatest purchasing power in respect to the excess of our own products. It would therefore be consistent with the ordinary rules which govern the conduct of business that we should look to the people of Great Britain and her colonies for the greatest development of our exports, and in order to promote wider and increasing markets we might rightly remove the legislative obstructions with which we have attempted to restrict the import of the goods with which they might pay us for larger and larger quantities of our own products.

There are about five million (5,000,000) in the Dominion of Canada, and there are somewhat in excess of five million (5,000,000) people in the State of New York. The people of the State of New York exchange the products of that State with the people of other States on the east, west, and south. No one can measure in terms of money the volume of trade for mutual benefit which unites the people of this country for mutual interest. One may be very certain that the volume of the exports from the State of New York to New England, to other Middle States and to the Western States, vastly exceeds the share of the exports of the State of New York to the people of the Dominion of Canada. It may be possible that all Canada consumes two (\$2) or three dollars (\$3) per head of the products of the State of New York. How much does all New England consume, and all the other Middle States? Yet if there were no grotesque obstructions to the mutual service which the people of New York and Canada might render to each other, the trade with these two sections might be equal to the trade with the neighboring States with which I have compared it.

LARGE MARKET IN A SMALL SECTION.

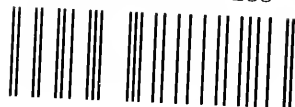
Reverting to the purchasing power of other States, the people of France, Germany, Holland and Belgium now number about one hundred and five million (105,000,000). They bought from us under the pressure of a great scarcity of grain in the last fiscal year at the rate of three dollars and a half (\$3.50) per head. It will be observed that so far we have dealt with the purchasing power of the States which have applied modern science and invention to a greater extent than the people of any other countries except our own. All that have been named, except Great Britain, are customarily deficient in the kinds of food which appear to be necessary for the development of the greatest physical energy, mainly animal food; and in proportion to their deficiency, or we might say to their immutrition, is the purchasing power of nations reduced. Yet in this relatively small section of the world with which I have dealt, we found our market for ninety (90) per cent. of our total export.

WANT OF GOOD GOVERNMENT.

Another prime factor in the development of purchasing power or in its diminution is the existence or want of good government, of sound money and freedom from militarism. Militarism is the curse of modern Europe: bad money the greatest evil next to bad government among the Spanish-American countries: while the necessity of arduous conditions of hand work still existing throughout the greater part of Asia and Africa greatly limits the purchasing power of the greater part of the population of the globe.

The five million (5,000,000) people of British North America bought of us last year eighty-five million dollars' (\$85,000,000) worth of goods; the thirteen million (13,000,000) people of Mexico bought only twenty-one million dollars' (\$21,000,000) worth. The English speaking people of the Dominion nearly seventeen dollars (\$17) a head; the Spanish-Americans of Mexico, the most progressive State which has been under the evil influences of the Spanish rule, less than two dollars (\$2) per head.

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